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Medicaid Program to Assist the Working Disabled Unanimously Passes Senate Committee

May 9, 2003 – On Wednesday, State Senator Shirley Johnson's (R-Royal Oak) "Michigan Freedom to Work for Individuals with Disabilities Law" unanimously passed the Senate Appropriations Committee. The proposed legislation allows disabled individuals who are currently on Medicaid to earn more than the current Medicaid income limits, without the loss of medical coverage.

"We need a Medicaid system that allows people with disabilities to become taxpaying contributors to this state and not be forced to be public assistance dependent," said Johnson. "Access to health care is essential for those with disabilities to obtain and keep a job."

The proposed measure, Senate Bill 22, will allow individuals with disabilities to earn up to 250 percent of federal poverty level before having to contribute to Medicaid premiums. Individuals enrolled in the Michigan Freedom to Work for Individuals with Disabilities Law would be able to accumulate assets up to \$75,000 combined with retirement, IRA and 401K accounts and earn income above the current Medicaid specified eligibility. In addition, workers may take temporary breaks in employment for medical reasons or as a result of involuntary layoff.

The legislation follows last years Medicaid Buy-In Task Force which included legislators; Michigan employers; and representatives from the Michigan Commission on Disability Concerns; the MiJob Coalition; the Benefits, Planning, Assistance and Outreach Program; the Department of Community Health; the Department of Career Development; the Department of Management and Budget and finally the Senate Fiscal Agency. However, more importantly, the Task Force consisted of workers with disabilities as a means of providing the most valuable information.

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“For many people with disabilities, privately purchased insurance is not available at any price and many employers do not provide group health insurance,” said Johnson. “Some current Medicaid policies force many people with disabilities to not seek employment and live in poverty in order to receive essential medical care through Medicaid. Ultimately, we need to have a win-win situation for both the business community and the working disabled.”

With the state’s current budget situation in mind, Senator Johnson worked closely with the Department of Community Health in order to develop a cost neutral program. Senate Bill 22 now sits before the full Senate, where a vote is expected as early as next week.